(c) These projects are under consideration with the World Bank. At present there is no commitment from the World Bank for funding of these projects.

Low dividend of US-64 of UTI

232. SHRI C. RAMACHANDRAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to dismal and grim accounts of UTI and its various highly publicised erstwhile schemes which have shattered the confidence of average investors;

(b) the reasons for dismally low dividends for the last three years which in some schemes have fallen below 7 per cent and even dividend for its flagship scheme US-64 is all-time low for 2000-2001;

(c) whether Government propose to institute an in-depth enquiry into the affairs and working especially investment decisions made during the last three years and fix responsibility therefor;

(d) if so, details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) Yes, Sir.

(b) There has been a general decline in the interest rates in the last few years. The stock market indices have also declined and experienced volatility. Further, the Deepak Parekh Committee had observed that dividend policy for US-64 should be in line with market related returns from instruments of comparable risk and maturity. The returns on capital market instruments have fallen over last few years. US-64 has provided dividends of 13.5% in 1998-99, 13.75% in 1999-2000 and 10% in 2000-2001.

(c) and (d) Government has announced the appointment of a three member High Level Committee to conduct an independent enquiry into, *inter-alia*, the investment decisions taken by UTI.

(e) Does not arise.